

CONTRACT #9
RFS # 332.10-01-07

University of Tennessee

VENDOR:
SunGard Higher Education
Advancement Solutions
(formerly SunGard BSR)



THE UNIVERSITY of TENNESSEE

Vice President for Administration and Finance

711 Andy Holt Tower
Knoxville, TN 37996-0174
Phone: (865) 974-2243
Fax: (865) 974-1324

September 28, 2006

RECEIVED

OCT 03 2006

FISCAL REVIEW

Mr. Jim White
Executive Director
Fiscal Review Committee
320 Sixth Avenue, North - 8th Floor
Nashville, TN 37243-0057

Dear Mr. White:

The University of Tennessee is submitting a non-competitively bid contract exceeding \$250,000 for comment in accordance with Public Chapter 413, Public Acts of 2003:

Contract with SunGard Higher Education Advancement Solutions (formerly SunGard BSR)

On May 13, 1998, the University initiated a competitive bidding process to acquire database management software to support the Office of Development and Alumni Affairs. The acquired software replaced a system developed in-house by university staff which we had outgrown. The university awarded the contract to Business Systems Resources (BSR), now known as SunGard Higher Education Advancement Solutions. The university continues to use this system to support its operations.

As part of the competitive bid process, the contract signed by the university provides for automatic annual renewals of the license agreement that allows us to continue using their software products. Before you today for consideration is the annual renewal agreement for the period December 2, 2006, through December 1, 2007, in the amount of \$98,346.20. Previous renewals were not brought before the committee, because we erroneously believed because we had competitively bid the contract and the renewals were part of the original contract, the renewals did not need the Committee's review. We now understand differently.

Based on our conversation, I am attaching of the original software licensing contract. Since the signed contract provides for automatic maintenance renewals (Item B3 in the original contract), there is no contract amendment. Therefore, I am attaching the annual letter received by the university that states the renewal terms.

Please let me know if you or others have questions or need additional information for the attached contract.

Sincerely,

Sylvia Shannon Davis
Vice President for Administration and Finance

Attachment

c: Dr. John D. Petersen
Mr. Bruce Downsborough

Mr. Anthony Haynes
Mr. Henry Nemcik

021406

RF#		Contract #	
332.10-01-07		N/A	
State Agency		State Agency Division	
University of Tennessee		University-wide Administration	
Contractor Name		Contractor ID # (FEIN or SSN)	
SunGard Higher Education Advancement Solutions		C- or X V- 52 2197045	
Service Description			
Advance (ANDI) software license renewal			
Contract BEGIN Date	Contract END Date	Supplier/Agent or Vendor?	CFDA
12/2/1998	software license - indefinite	Vendor	N/A
Warranty/TRUE Statement			
N/A Contractor is on STARS		X Contractor's Form W-9 is on file in Accounts	
Allocation Code	Cost Center	Object Code	Fund
332.10	N/A	N/A	N/A
FY	State	Federal	Interdepartmental
1999			\$ 800,000.00
2001			\$ 273,105.00
2005			\$ 120,000.00
2007			\$ 98,346.20
			\$ -
			\$ -
TOTAL	\$ -	\$ -	\$ 1,291,451.20
FUNDING SUBGRANT CODE			
N/A			
TOTAL CONTRACT AMOUNT			
\$ 1,291,451.20			
COMPLETE FOR AMENDMENTS ONLY			
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	State Agency Fiscal Contact & Telephone
2007	\$ 1,193,105.00	\$ 98,346.20	Sylvia Davis, 865-974-2243
			State Agency Budget Officer Approval
			Sylvia Shannon Davis, VP Administration and Finance
			Funding Confirmation (certification required by FCA 33 U.S.C. 3301-3306 that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)
TOTAL	\$ 1,193,105.00	\$ 98,346.20	
End Date	software license - indefinite	12/1/2007	
Contractor Ownership (complete only for base contracts with contract # prior to 01-01-01)			
African American	Person w/ Disability	Hispanic	Small Business
Asian	Female	Native American	NOT disadvantaged
OTHER minority/disadvantaged—			
Contractor Selection Method (complete for All base contracts - N/A for amendments or delegated authority)			
X RFP	Competitive Negotiation	Alternative Competitive Method	
Non-Competitive Negotiation	Negotiation w/ Government(eg.ID,GG,GU)	Other	
Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)			
This license was originally acquired under contract #5080-030, awarded December 2, 1998, after a competitive bidding process initiated by RFP #5080-030 dated May 13, 1998. Since then, pursuant to the terms of the original license it has been renewed annually via non-competitive purchase on December 2 of each year.			

**THE UNIVERSITY OF TENNESSEE
REQUEST: NON-COMPETITIVE AMENDMENT**

APPROVED:	
_____ UT System Office Approval	_____ Date

EACH REQUEST ITEM BELOW <u>MUST</u> BE DETAILED OR ADDRESSED <u>AS REQUIRED</u>.		
1) UT Tracking Number:	332.10-01-07	
2) Campus/Institute Name:	The University of Tennessee	
EXISTING CONTRACT INFORMATION		
3) Short Description:	Annual License Renewal for Development and Alumni Database System	
4) Proposed Vendor:	Name:	SunGard Higher Education Advancement Solutions (formerly SunGard BSR)
	Vendor Number:	
	Vendor ID:	52 2197045
5) Contract #	56073	
6) Contract Start Date:	December 2, 1998	
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised:	software license - indefinite	
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised:	N/A	
PROPOSED AMENDMENT INFORMATION		
9) <u>Proposed</u> Amendment #	10	
10) <u>Proposed</u> Amendment Effective Date:	December 2, 2006	
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised:	software license - indefinite	
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised:	N/A	
13) Approval Criteria: (select one)	<input type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the university <input checked="" type="checkbox"/> only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service		

Annual renewal of license for proprietary "Advance" (a/k/a ANDI) software to manage the Development & Alumni Affairs database; license includes product updates & maintenance releases and support. The existing license expires 12/1/2006 and was originally acquired through contract #5080-030, awarded December 2, 1998, after a competitive bidding process initiated by RFP #50-80030 dated May 13, 1998.

15) Explanation of Need for the Proposed Amendment:

This is the renewal of a license to use proprietary software. The software is available only from SunGard Higher Education Advancement Solutions (hereafter "SunGard HE"). Replacing the SunGard HE system at this time would require a multi-year investment of time and money to select and implement a substitute database management system. The replacement effort would include 6-12 months to research alternate systems, prepare an RFP and select a new vendor; 3-4 years to implement the new system (including converting data and reprogramming 100+ reports); and 3-6 months to train new staff on how to use the new system. In addition to the human resources involved, the out of pocket cost of such an effort would easily total \$1 million or more. Replacing the SunGard HE system would also adversely impact the University's system-wide capital campaign.

16) Name & Address of Vendor/Contractor's Current Principal Owner(s): (not required if proposed contractor is a state education institution)

SunGard Higher Education Advancement Solutions (formerly BSR), 1000 Winter Street, Suite 1200, Waltham, MA 02451

17) Documentation of Office for Information Resources Endorsement: N/A
(required only if the subject service involves information technology)

18) Documentation of Department of Personnel Endorsement: N/A
(required only if the subject service involves training for state employees)

19) Documentation of State Architect Endorsement: N/A
(required only if the subject service involves construction or real property related services)

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

None. This is the renewal of a license to use proprietary software; by its terms the license renews automatically. The software is available only from SunGard Higher Education Advancement Solutions (hereafter "SunGard HE"). Replacing the SunGard HE system at this time would require a multi-year investment of time and money to select and implement a substitute database management system. The replacement effort would include 6-12 months to research alternate systems, prepare an RFP and select a new vendor; 3-4 years to implement the new system (including converting data and reprogramming 100+ reports); and 3-6 months to train new staff on how to use the new system. In addition to the human resources involved, the out of pocket cost of such an effort would easily total \$1 million or more. Replacing the SunGard HE system would also adversely impact the University's system-wide capital campaign.

21) Justification for the Proposed Non-Competitive Amendment :

This license was originally acquired under contract #5080-030, awarded December 2, 1998, after a competitive bidding process initiated by RFP #5080-030 dated May 13, 1998. Since then the license has been renewed annually via non-competitive purchase on December 2 of each year.

APPROVALS:

\$50,000 or Less

Department Head or Designee

Date

Campus/Unit Purchasing Officer or Designee

Date

Chancellor/Chief Business Officer or Designee

Date

SUNGARD®

SunGard Higher Education • www.sungardhe.com • 781-890-2105 tel • 781-890-4099 fax

August 21, 2006

Mr. Bruce Downsbrough
Assistant Vice President for Advancement Services
University of Tennessee
600 Andy Holt Tower
Knoxville, TN 37996

Dear Bruce,

This letter provides information to the University of Tennessee in regards to the Annual Renewal for the License Agreement signed between the University of Tennessee and SunGard BSR Inc. (successor to Business Systems Resources, Inc.; SunGard) dated December 2, 1998.

The University's upcoming Annual Renewal Term for the Licensed Products covered by this agreement is for the period commencing on December 2, 2006 and concluding on December 1, 2007.

The Annual Renewal Fee for this Annual Renewal Term will be as follows:

Advance System	\$80,406.40
Web Access	\$7,687.70
Events Management	\$10,252.10
Total	\$98,346.20

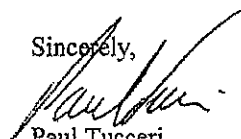
Per the terms of the License Agreement, the Annual Renewal Fee provides the following for the Annual Renewal Term:

- A non-exclusive, non-transferable license to use the Licensed Products per the terms of the Agreement;
- Product updates and maintenance releases for the Licensed Products;
- Product support for the Licensed Products; support typically includes telephone and email support through SunGard staff as well as access to the SunGard support web-site;
- Discounts totaling 25% off the then-current list price on the Licensed Products for other divisions or affiliates of the University.

While not specifically covered by the License Agreement or incorporated into the Annual Renewal Fee, any SunGard BSR customer that is currently under an Annual Renewal Term is invited to participate in SunGard BSR User Group activities.

Please let me know if you have any questions.

Sincerely,



Paul Tucceri
Controller

56023

LICENSE AGREEMENT

Between

University of Tennessee
Knoxville, Tennessee 37996

and

Business Systems Resources, Inc.
1000 Winter Street
Waltham, Massachusetts 02451

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**BUSINESS SYSTEMS RESOURCES, INC.
LICENSE AGREEMENT**

Business Systems Resources, Inc. ("BSR") is pleased to submit this Agreement to the University of Tennessee ("User"), for a non-exclusive license to use the BSR product(s) described below (the "Product(s)") at the following location in the United States:

Designated Site: University of Tennessee System
 Knoxville, Tennessee 37996

This Agreement specifies the Terms and Conditions under which each Product is to be licensed and the related services which BSR will provide User during the Term of the License. The provisions of this Agreement will remain open for acceptance by User through November 30, 1998.

As further defined by this Agreement, the Products to be licensed to User, the respective license fees, and the days of training and installation support to be delivered are as follows:

PRODUCT	INITIAL LICENSE FEE	CURRENT ANNUAL RENEWAL FEE	DAYS OF TRAINING & INSTALLATION
The Oracle/PowerBuilder version of Advance C/S, including source code	\$425,000	\$63,750	Note 1
Allowance	(25,000)	(3,375)	
Total	\$400,000	\$60,000	Note 1

Note 1: See Addendums #1 and #3.

The following Addenda are also included in and covered by this Agreement:

Addendum #1: Advance Comprehensive Implementation Support Services

Addendum #2: Additional Provisions

Addendum #3: Additional Implementation Support Services

TERMS AND CONDITIONS

A. LICENSED PRODUCTS; SCOPE OF LICENSE

1. The "Licensed Products" covered by this Agreement are the Systems identified on Page 1 of this Agreement and related Documentation; all copies of Licensed Products which the User makes or obtains; and any other product licensed to the User by BSR in any Addenda to this Agreement.
2. This Agreement provides User a non-exclusive, non-transferable license (the "License") to use each Licensed Product during its License Term, subject to these Terms and Conditions and those stated in any Addenda to this Agreement. The Licensed Products shall at all times remain the property of BSR subject to the provisions of this Agreement, and no modification or alteration of any Licensed Product, however extensive, shall impair BSR's title or rights.
3. With respect to a Licensed Product, the term "Documentation" includes all user manuals, operating instructions and any other written materials delivered by BSR which relate to a Licensed Product.
4. The Licensed Products may be used to support a single production database on a single server CPU at the Designated Site. This central database can be accessed, in both inquiry mode and maintenance mode by any University of Tennessee affiliated entity including all campuses, medical centers, institutes, divisions, regional offices, affiliated foundations, affiliated 501-C-3 organizations, and satellite locations. Test, Training, Development, Reporting and Replication databases may also be supported at other University designated sites. Clients located anywhere within the University of Tennessee system may access these test, training, development, reporting and replication databases.
5. All Licensed Products are hereby licensed to User solely for User's not-for-profit internal business purposes.
6. Upon termination of this Agreement or any particular License which it grants, for any reason, User shall immediately either deliver to BSR or destroy the originals and all copies (whether partial or whole, and regardless of form), of the Licensed Products(s) as to which User's License has terminated. If User elects to destroy these materials, it agrees to notify BSR in writing within thirty (30) days after termination of this Agreement that these materials have been destroyed.

B. INITIAL & RENEWAL LICENSE TERMS; CHARGES & PAYMENT

1. The "Term" of a License means the "initial License term" and any "renewal term"
2. The "initial License term" for a Licensed Product and its related Documentation shall continue for a period of one year following the effective date of this Agreement. The initial License fee provides for installation assistance, support, maintenance, education and training as described in Addendum #1 to this Agreement and in BSR's response to RFP 50-80030.
3. At the expiration of any initial License term, a License shall be automatically renewed for

successive one year terms ("renewal terms"), unless User notifies BSR in writing at least sixty (60) days prior to the end of any initial or renewal term that it does not intend to renew the License, or unless the License is otherwise terminated according to this Agreement. During a renewal term for each Licensed Product, the annual renewal fee provides for the continued non-exclusive, non-transferable license to use the Licensed Product(s) as well as new releases or updates, maintenance and support (all as described by this Agreement).

4. BSR may immediately terminate any License without further notice if (i) User fails to pay the fees required by this Agreement within thirty (30) days after BSR sends written notice that any such fee is due; or (ii) User violates the terms and conditions under which a License has been granted.
5. Fifty percent (50%) of the total initial License Fees for the Licensed Products shall be due and payable upon Delivery of the Licensed Products. An additional thirty percent (30%) of the total initial License Fees shall be due and payable on July 1, 1999. The final twenty percent (20%) of the total initial License Fees shall be due and payable upon Final Acceptance of the Licensed Products.

"Delivery" shall occur when the Licensed Product is delivered to User, or when User downloads the Licensed Product from BSR's ftp site. "Final Acceptance" shall mean the successful completion of the Testing and Acceptance Requirements as described in Section 3.8.3 of User's RFP 50-80030. Production use of the Licensed Product shall also constitute Final Acceptance.

6. The annual renewal fees shall be due and payable on each anniversary of this Agreement. BSR reserves the right to change the annual renewal fee to reflect changes in the then current annual renewal fee for a Product. The annual renewal fees shall be fixed at the amount shown on Page 1 for the initial term plus the first two renewal terms of this Agreement. User will be billed the applicable renewal fee in effect on the first day of each renewal term.
7. All BSR invoices are due and payable upon receipt. If an invoice remains unpaid after thirty (30) days from the invoice date, a service charge at the rate of 1.5% per month (but in no event more than the maximum allowed by law) will be applied to the unpaid balance.

C. INSTALLATION; SUPPORT; MAINTENANCE & UPDATES

1. Licensed Product(s) shall be installed by User as soon as reasonably possible after User's receipt of Licensed Products. At no additional charge other than reasonable travel and living expenses, BSR will provide assistance and support with respect to User's initial installation of Licensed Product(s), or for the initial release of a previously unreleased Licensed Product. Conversion of User's data for use with the Licensed Product(s) is specifically excluded from BSR's obligations in this Agreement unless otherwise stated in the Addenda.
2. While a License for a Product remains in effect, BSR will support the User in accessing copies of system, technical, and end user documentation through electronic self-service delivery. User may request and obtain copies of user manuals at the fees that are then in effect.
3. BSR agrees to provide maintenance services to attempt to correct any error or defect reported by

User and determined by BSR to be in an unmodified portion of a Licensed Product or in BSR's operational procedures. Such services shall be provided in the most expeditious manner reasonably possible and at no additional cost to User other than reasonable travel and living expenses and telecommunications costs; the maintenance services shall ordinarily be provided remotely by BSR and User shall provide, at the request of BSR and in a form acceptable to BSR, dial-up access to the Product(s) being maintained. Should BSR find that a reported error or defect is not in its Licensed Product or operational procedures, or that an error has resulted from User's negligence, modification, or improper use of Licensed Product, User will additionally be billed for reasonable shipping and handling costs incurred by BSR plus consulting fees at BSR's then prevailing rates. BSR will provide telephone consultation on the use of Licensed Product at no additional fee.

4. The manuals for Products contain some instructions generally relating to User modifications of the software; however, BSR's obligations under this Agreement concerning maintenance and support of any Product(s) which are modified by or for the User shall be limited to the unmodified portions of such software.
5. All support services provided by BSR under this agreement shall only be provided to two designated User representatives employed on the campus of the designated site. The User shall designate one representative to interface with BSR on technical support issues and the other representative to interface with BSR on end-user support issues. User will also designate an alternate user representative and one alternate technical representative. The function of these alternates will be to interface with BSR when the primary representative is unavailable. User reserves the right to change these primary and/or alternate representatives at the User's sole discretion. At no time will User have more than two representatives interfacing with BSR for support issues.

D. EDUCATION & TRAINING

At no additional charge other than reasonable travel and living expenses BSR will provide the person-days of professional time as indicated in Addendum #1 and BSR's response to RFP 50-80030 for the purpose of supporting the installation of the Licensed Product(s) and training the User's employees in the use of the Product(s). Additional installation support and training offered by BSR is available at the BSR standard rates then in effect for such installation support or training services. The delivery of education and training services at any time shall be subject to BSR's prior confirmation to User of available instructors.

E. NON-DISCLOSURE; COPIES; ALTERATIONS

1. User agrees (i) to limit access to a Licensed Product to its employees or consultants who require access in order to use a particular Licensed product in furtherance of User's business and consistent with this Agreement; (ii) to use the related Documentation only for training its employees who will have access to the Licensed Products; (iii) not to make available or disclose any Licensed Product or other proprietary information to any party without the prior written consent of BSR, except as permitted by this Agreement; and (iv) to take all reasonable precautions to maintain the confidentiality of Licensed Products and employ at least those

precautions which User employs to protect its own proprietary information subject to the Tennessee records law, Tennessee code annotated.

2. Except as provided below, User may not alter, copy, duplicate, or reproduce, in whole or part, any Licensed Product without written permission from BSR. Whenever User is permitted by this Agreement to alter, copy or reproduce all or part of any Licensed materials or other BSR proprietary information, all titles, trademarks, trade names, and copyright notices must also be reproduced, and all the Terms and Conditions of this Agreement shall also apply to the copies or reproductions.
 - a) User may reproduce Licensed Products only for its own use at the Designated Site and only to the extent reasonably necessary to use the Licensed Product in the manner contemplated by this Agreement, including backup copies and other uses described in Section A.4 of this Agreement;
 - b) User may modify Products subject to the provisions of Sections C and F.
3. The obligations expressed in this Section E shall remain binding upon User even after termination of this Agreement or any particular License granted by this Agreement.

F. WARRANTIES

1. During its License term a Product shall operate as specified in BSR's technical documentation delivered to User and relating to the then current release of the Product. It is understood, however, that errors may exist or occur in a Product or Documentation and BSR will respond to any reported error condition as specified in the provisions of this Agreement which discuss Support and Maintenance. This warranty shall not apply to the portions of any Products(s) which User has modified or to any other Product which User has modified.
2. BSR certifies that it has title to or a proprietary right to license its products. BSR shall indemnify, hold harmless and at BSR's expense defend User against any claim that a Licensed Product infringes a U.S. patent or copyright, provided that (i) User promptly notifies BSR in writing of the claim; (ii) BSR shall have sole control of the settlement or defense of any action against User to which this indemnity relates; and (iii) User cooperates with BSR in every reasonable way to facilitate such defense.
3. BSR warrants that the occurrence in or use by the Licensed Products of dates on or after January 1, 2000, ("Millennial Dates") will not adversely affect its performance with respect to date-dependent data, computations, output, or other functions (including, without limitation, calculating, comparing and sequencing) and that the Licensed Products will create, store, process and output information related to or including Millennial Dates without error or omissions and at no additional cost to User.
4. OTHER THAN THE WARRANTIES EXPRESSLY STATED ABOVE AND REPRESENTATIONS MADE IN BSR'S RESPONSE TO RFP 50-80030, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES RELATING TO ANY OF THE PRODUCTS OR SERVICES COVERED BY THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO

WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

G. LIMITATION OF LIABILITIES

BSR's sole obligation and liability if a Product is defective or fails to conform to specifications shall be to repair or replace the Product or remedy the problem as provided in Section C. In any event, BSR's liability for any losses or damages which arise out of or in connection with the products or services to be provided under this Agreement, whether the claim is in contract or otherwise, shall not exceed the amount paid by User to BSR during the preceding twelve (12) month period for the Licensed Product as to which the claim arose. Under no circumstances shall BSR be liable for special, incidental or consequential damages, including, but not limited to, loss of anticipated income or loss resulting from business disruption, even if BSR has been advised of the possibility of such damages, to the extent permitted by the laws of the State of Tennessee.

H. ADDITIONAL PRODUCTS & DISCOUNTS

Licensed Products may be licensed by User or its divisions or affiliates for additional sites at seventy-five (75%) percent of the License Fee then in effect. The term "affiliates" as used in this paragraph refers only to User's parent corporation or corporations of which User or its parent is at least a fifty-one (51%) percent owner. The Annual Renewal Fee for each additional site shall be equal to one hundred percent (100%) of the then current Annual Renewal Fee for the initial site.

I. GENERAL

1. User authorizes BSR to use its name in any reference listing users of the BSR Product(s) covered by this Agreement. With User's prior approval, User authorizes BSR to use its name in approved advertising of the BSR Product(s) covered by this Agreement.
2. This Agreement and the User's RFP 50-80030 and BSR's response to User's RFP 50-80030 constitute the entire Agreement between the parties, and no representation, condition, understanding or agreement of any kind, oral or written, shall be binding upon the parties unless incorporated herein. This Agreement may not be modified or amended except by an agreement in writing signed by authorized representatives of User and BSR. This Agreement shall be deemed to be executed in Knoxville, Tennessee, U.S.A., and shall be governed by the laws of the State of Tennessee. If any provision of this Agreement is invalid or unenforceable in any circumstances, its application in any other circumstances and the remaining provisions shall not be affected thereby. The terms and conditions of the Agreement shall prevail over any printed provision of any purchase order form used by User.
3. Neither this Agreement or any License which it grants nor any of the Licensed Products or related materials, may be assigned, sublicensed, sold, mortgaged, pledged or otherwise transferred by User unless User has received prior written permission from BSR. This Agreement, in whole or part, may not be assigned by BSR without prior written approval of the authorized representative of User. To the extent BSR assigns this Agreement or any part of it, or to the extent User is permitted by BSR or by operation of law to assign this Agreement or any part of it, all of the provisions of this Agreement shall be binding upon BSR's or User's successors or assigns, as the case may be.

4. This Agreement will become effective when it has been duly signed by an authorized representative of User and then signed by an Executive Officer or Contract Officer on behalf of BSR. User's signature below constitutes its acceptance of the Licenses granted hereunder and its agreement to be bound by the Terms and Conditions stated above.

ACCEPTED BY:
UNIVERSITY OF TENNESSEE

ACCEPTED BY:
BUSINESS SYSTEMS RESOURCES, INC.

BY: _____
Authorized Signature

BY: Ivan M. K
Authorized Signature

EMERSON H FLY
Name [Signature]
VICE PRESIDENT

Ivan R. Burns
Name

Title
NOV 30 1998

President
Title

Date: _____

Effective Date: Dec 2, 1998

ADDENDUM #1
ADVANCE COMPREHENSIVE IMPLEMENTATION SUPPORT SERVICES

The Advance Comprehensive Implementation Support package provides the services outlined below and described in BSR's response to RFP 50-80030 at a cost of \$12,750. This cost will be due and payable at the time of initial delivery of the Licensed Products.

1. Advance C/S Implementation Notebook.
2. Three (3) days of telephone technical support for product installation.
3. Data Mapping Spreadsheets.
4. Two (2) days of telephone technical support for data conversion. This includes assistance with the construction, schedule, and tuning of data conversion processes and procedures.
5. Advance Operational Assessment; a two (2) day consultative service site visit to define site specific needs and objectives, an agreed upon project plan and implementation schedule.
6. Five (5) on-site visits. Each visit may be up to three (3) days in length, exclusive of travel time. Specific visit type is to be determined by the User with mutual agreement from BSR.
7. Five (5) days allocated to the preparation for and follow-up of the individual site visits. This includes preparation of materials, agendas, document revisions and progress assessment reports.
8. Four (4) training course credits for use in Beginning SQL or Advanced Reporting Techniques training sessions. These credits must be used within eighteen (18) months following the effective date of this Agreement.
9. Credit toward one of the following consultative services packages, each comprised of two (2) on-site days (exclusive of travel time) and one (1) off-site day. This credit must be used within eighteen (18) months following the effective date of this Agreement.
 - Technical Installation Support
 - Information Retrieval and Reporting
 - Internal Operational Assessment
 - Prospect Management Process Facilitation
 - Gift/Pledge Processing Process Facilitation
 - Capital Campaign Reporting Structures
10. Two (2) training course credits for use in System Administration/DBA Workshop. This credit must be used within eighteen (18) months following the effective date of this Agreement.
11. Ten (10) days of on-site technical assistance; each visit on-site must be a minimum of two days in length, exclusive of travel time. These days must be used within eighteen (18) months following the effective date of this Agreement.

**ADDENDUM #2
ADDITIONAL PROVISIONS**

1. User shall have the option to license the Membership/Dues Subsystem, the Web Access and Data Entry Subsystem, and the Special Events Subsystem (the "Optional Subsystem(s)") individually or in combination at the following discounted initial license fees if licensed on or before the following specified dates:

<u>Subsystem</u>	-----License Fee if Licensed by-----		
	<u>12/31/98</u>	<u>6/30/99</u>	<u>12/31/99</u>
Membership Dues	\$38,250	\$51,000	\$57,375
Web Access & Data Entry	\$38,250	\$51,000	\$57,375
Special Events	\$51,000	\$68,000	\$76,500
Effective Discount from Cost Quoted in BSR Proposal dated July 14, 1998	40%	20%	10%

2. The Annual Renewal Fee for each Optional Subsystem that User elects to license shall be 15% of the above discounted Initial License Fees in accordance with the above schedule.
3. Payment terms for any Optional Subsystem that User elects to license concurrent with the execution of this Agreement shall be identical to the terms described in Section B.5 of this Agreement. For any Optional Subsystem that User elects to license subsequent to the execution of this Agreement, the second payment (the 30% payment) shall be due and payable 180 days after Delivery of the Optional Subsystem.
4. Where referenced throughout this Agreement, travel and living expenses will be based on actual and necessary expenses incurred subject to the then current User reimbursement rates and policy. All air travel will be coach class. With the exception of meals and taxi fares, all travel expenses must be supported with itemized receipts.
5. This Agreement incorporates by reference User's Request for Proposal RFP 50-80030 and BSR's response dated July 14, 1998 to RFP 50-80030.
6. Any provision within this Agreement shall not apply if it is determined by a court of competent jurisdiction, including appellate review if pursued, to violate the laws or constitution of the State of Tennessee, or that the User is without authority to agree to terms set forth in this Agreement.

ADDENDUM #3
ADDITIONAL IMPLEMENTATION SUPPORT SERVICES

1. BSR will provide the Prospect Management Facilitation service as described in BSR's proposal dated July 14, 1998 at a discounted cost of \$3,825. This cost will be due and payable upon completion of delivery of this service.
2. BSR will provide the Acceptance Testing Training service as described in BSR's proposal dated July 14, 1998 at a discounted cost of \$4,250. This cost will be due and payable upon completion of delivery of this service.
3. User agrees to contract for a minimum of \$200,000 for additional report development assistance, user training, and other professional services on the effective date of this agreement. The first \$100,000 for these services will be due and payable upon the date of initial delivery of the Licensed Products, and the second \$100,000 for these services will be due and payable 6 months after the initial delivery of the Licensed Products. User will be granted a 20% discount off the rates below for the prepaid days, as well as for any additional days beyond these prepaid days within 24 months following the effective date of this Agreement.

<u>Professional Category</u>	<u>Daily Rate</u>
Principal	\$ 2,000
Senior Consultant	1,500
Applications Consultant	1,200
Reporting & Training Services	1,200
On-site Installation Support	1,200
Programmer/Analyst Support	1,000
Conversion Programming	1,000

Services will be provided by BSR at User's request. For service requests that will require more than five days of effort, a written Scope of Services document will be prepared which will describe the service to be provided, an estimate of the number of days required, and a mutually agreed upon completion date. Both BSR and User will make all reasonable efforts to complete the work described on a timely basis and to the satisfaction of User.

User will reimburse BSR for reasonable travel and living costs incurred on user's behalf. BSR travel time will not be billed. Travel and out of pocket costs incurred on User's behalf will be invoiced at cost and in accordance with Item 4 of Addendum #2 of this Agreement. Invoices will be submitted on a monthly basis for out-of-pocket costs incurred.